

FINAL BILL REPORT

SHB 1387

FULL VETO

Brief Description: Clarifying the frequency of filing of rate adjustments for mandatory offering of basic health plan benefits.

Sponsors: By House Committee on Financial Institutions & Insurance (originally sponsored by Representatives Zellinsky, K. Schmidt, L. Thomas, Johnson, Huff and Dyer).

House Committee on Financial Institutions & Insurance
House Committee on Appropriations
Senate Committee on Financial Institutions, Insurance & Housing
Senate Committee on Ways & Means

Background: Health carriers are regulated by the Office of the Insurance Commissioner (OIC). Rates for health plans are also regulated by the OIC. Generally, health carriers must set health plan rates that are reasonably related to benefits provided. Health plan rates for individuals, and small employers (50 or fewer employees) are subject to adjusted community rating. Health carriers may only adjust health plan rates for individuals and small employers annually except for changes in family composition, changes to benefits requested by the individual or employer, or changes due to government regulations.

Summary: Although a health carrier generally may not adjust the rate (premium) more frequently than annually for a particular individual or small employer who has been offered a plan, the health carrier may file rate adjustments every six months for health plans offered to new or renewing individuals or small employers.

Votes on Final Passage:

House 66 28
Senate 33 15 (Senate amended)
House 61 30 (House concurred)